

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation)
of the License to Conduct Gambling Activities of:)

NO. CR 2012-01419

Kevin T. Lee)
Marysville, Washington,)

**NOTICE OF ADMINISTRATIVE
CHARGES AND OPPORTUNITY
FOR AN ADJUDICATIVE
PROCEEDING**

Licensee.)
_____)

I.

The Washington State Gambling Commission issued license number 68-15342 to Kevin T. Lee, authorizing Card Room Employee activity at Goldie's Shoreline Casino in Shoreline. The license expires on October 5, 2013, and was issued subject to the licensee's compliance with state gambling laws and rules.

II.

David Trujillo, Deputy Director of the Washington State Gambling Commission, charges the licensee with the following violations of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

SUMMARY:

Mr. Lee owes \$4,224.25 in court-ordered fines and fees associated with his criminal history, of which \$3,144.25 has been sent to collections due to nonpayment.

FACTS:

- 1) On October 5, 2012, a Gambling Commission Special Agent (agent) was assigned to Kevin T. Lee's case to investigate whether he continues to qualify for a license while having \$3,144.25 in court-ordered fines and fees in collections due to nonpayment. Commission staff became aware of these fines and fees during a routine annual criminal history check.
- 2) As part of the agent's investigation, she reviewed Mr. Lee's gambling license file. Mr. Lee first applied for and was granted a Class III Certification¹ in 1996, but he withdrew his application prior to licensure. He reapplied for and was granted a Class III certification in 1998. Since that time, he has been licensed on and off to work at various card rooms including Freddie's Club of Everett, Crazy Moose Casino in Mountlake Terrace and Goldie's Shoreline Casino. His most recent new application was received in 2009.

¹ Class III Certification is issued to employees working at tribal Casinos. The certification authorizes similar activities as the Card Room Employee (CRE) license issued to individuals working at commercial house-banked card rooms. By submitting a transfer form and fees, holders of a Class III Certification may convert their certification to a CRE license.

- 3) The agent conducted a criminal history background check and determined that Mr. Lee has seven Failures to Appear (failure to respond) on his record in connection with his unpaid fines and fees.
- 4) The following is a breakdown of Mr. Lee's history, with the date of violation, charge, and dollar amount owed, if any:
- 07/20/2012 – Driving While License Suspended (DWLS) 3rd Degree*, \$495.00 not in collections;
 - 02/14/2012 – DWLS 3rd Degree*, \$950.50 in collections;
 - 02/14/2012 – Speeding 10 MPH Over, \$227.00 in collections;
 - 09/02/2010 – DWLS 3rd Degree*, \$585 not in collections;
 - 09/07/2010 – Speeding 16 MPH Over & No Valid Operator's License (NVOL), \$777.00 in collections;
 - 12/29/2009 – Speeding 15 MPH Over, \$206.00 in collections;
 - 09/10/2009 – Speeding 5 MPH Over, \$124.74 in collections;
 - 02/08/2009 – NVOL;
 - 01/28/2009 – Car Pool Lane Violation, \$116.00 in collections;
 - 04/20/2005 – Speeding 16 MPH Over & Operate Motor Vehicle without Insurance, \$743 in collections;
 - 06/23/1999 – Child Unattended in Vehicle*;
 - 05/28/1999 – DWLS 3rd Degree*; and
 - 11/15/1992 – DWLS*.

*-Denotes criminal history.

- 5) On October 5, 2012, the agent sent a letter to Mr. Lee and his employer notifying them of the court debt that he has accumulated. The letter notified them that, based on his "pattern of criminal history, to include failure to comply with court ordered fines, fees, and obligations and the dollar amount of the fines and fees in collections, we feel that he may pose a threat to the effective regulation of gaming and enhances the chance of unfair or illegal practices, methods or activities of the gaming activity due to the financial pressure facing him." The letter also stated that "we are concerned that since he failed to comply with the judge's rulings, he may not comply with internal control requirements or adhere to the direction of the Washington State Gambling Commission," and that the agent was going to recommend revocation of his gambling license.

VIOLATIONS:

RCW 9.46.075 Denying, suspending, or revoking an application, license or permit

The commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsections apply.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

(8) Fails to prove, by clear and convincing evidence, that he is qualified in accordance with the provisions of this chapter.

WAC 230-03-085 Denying, suspending, or revoking an application, license or permit

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level.

(8) Poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by:

- (a) Prior activities; or
- (b) Criminal record; or
- (c) Reputation; or
- (d) Habits; or

RCW 9.46.153(1) Applicants and licensees-Responsibilities and duties

It shall be the affirmative responsibility of each applicant and licensee to establish by clear and convincing evidence the necessary qualifications for licensure of each person required to be qualified under this chapter, as well as the qualifications of the facility in which the licensed activity will be conducted.

By failing to make his court-ordered payments resulting in seven failures to respond, Mr. Lee has failed to prove by clear and convincing evidence the necessary qualifications for licensure, in violation of RCW 9.46.153. Therefore, under RCW 9.46.075(1) and (8) and WAC 230-03-085(1), (3), and (8), grounds exist to suspend or revoke Mr. Lee's license.

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Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

In order to have a hearing or discuss settlement options, the enclosed request for hearing must be completed and returned to the Gambling Commission **within 23 days** from the date of the mailing of this notice.

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)


DAVID TRUJILLO, DEPUTY DIRECTOR

Maureen Prehall
NOTARY PUBLIC in and for the State of
Washington residing at Thurston County
My commission expires on December 2, 2015



I certify I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy, property addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Kevin T. Lee
Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding
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